U.S. Olympic team; Charles Duelfer, Special Advisor to the Director of Central Intelligence; Prime Minister Ayad Allawi of the Iraqi Interim Government; Prime Minister Junichiro Koizumi of Japan; Rudolph W. Giuliani, former mayor of New York City; and Gov. George E. Pataki of New York. He also referred to the "Comprehensive Report of the Special Advisor to the DCI on Iraq's WMD," issued September 30.

Remarks in Paradise Valley, Arizona *October 12*, 2004

The President. Thank you all for coming. Thank you all for being here. I want to thank my friends Jon Kyl and John McCain for their leadership. They're good, honest people, and they're good to work with, and they do a great job representing Arizona. I presume you want me to sign the water bill. [Laughter] No wonder you're here.

Anyway, I finally made it to Arizona—back to Arizona. You know, we're kind of warming up for these debates. I'm looking forward to tomorrow night. It's a chance to point out major differences. For example, if the Senator has his way, this is the way every house will feel, because he doesn't have an energy policy. But it's going to be a lot of fun. I want to thank Arizona State for hosting the debate, and thank the good city of Phoenix and Tempe for being such gracious hosts.

I'm—will be teaming up here in a minute with Laura. She's been working her way from east to west. She and little Barbara are campaigning New Mexico today, and Jenna introduced me in Colorado Springs. And I was sitting there watching that gracious young lady introduce me in front of 10,000 people, saying, "My, does time fly," you know. [Laughter] It's an unbelievable feeling, really. I told the girls when they were young, I said, "Oh, don't worry, we'll go on the famous father-daughter camping trip," come to the Grand Canyon, maybe ride down the Colorado River. This is the grand camping trip we never took them on, campaigning for President. [Laughter] But it's a lot of fun to have your family out there.

I tell people—and this is true—I think it's true; it's got some truth to it, at least—that either when I asked her or shortly thereafter, Laura said, you know, "I never want to have to give a political speech. I'll marry you, but I don't want to give a speech." I said, "Okay, you got a deal." And—but fortunately, she didn't hold me to the deal. The American people have gotten to see her as a warm, compassionate, great First Lady.

It's such an honor to serve the people. You know, people say, "Well, gosh, that's interesting. What's it like on your marriage, you know, being the President and First Lady?" I say, "It strengthened our marriage. After all, I've only got a 45-second commute." [Laughter] But we're representing the country together, and Laura has come to know what I know, that we have a chance to really do some good things for people. And I remember when she gave the radio address to the—and spoke to the women of Afghanistan, made it very clear that the American people were standing with them as they went from tyranny to freedom. And the feedback was fantastic, and she realized what I know as well, that just simple gestures and kind moments of kindness can really make a difference in people's lives and can help lift spirits and make a valuable contribution to the future of the country.

I tell people that I'm going to give you some reasons why to put me back in. To-morrow night, that's part of the purpose, but perhaps the most important one of all is so that Laura is the First Lady for 4 more years. [Laughter]

And my runningmate is doing just fine. I talk to him quite frequently. I think I'm going to see him tomorrow on a video on a SVTS, we call it, which is a secure two-way conversation via video. We talk about national security needs. And he's doing great. He's holding his own. He did a wonderful job in the debate. I tell people he doesn't have the—I tell people plainly the fact, and that is, he doesn't have the waviest hair there amongst the candidates. But I didn't pick him for his hairdo. [Laughter] I picked him because he's a man of sound judgment and great experience, and he's getting the job done. And I'm real proud of Dick Cheney and proud to serve with him.

I want to thank Members of the Congress who are here. Trent and Josie Franks are with us. It's great to see you all. Thanks for coming. You're doing a fine job, and I'm proud you're here. Shadegg is with us. Where is John? Somewhere, anyway. Either that or he's outside trying to find some cool air. [Laughter] I want to thank J.D. and Mary Hayworth. They're with us today. Big J.D., appreciate you coming. Jeff and Cheryl Flake—there he is. Thanks for coming. I'm glad to see you all.

The mayor is with us, Ron Clarke, of the town of Paradise, Arizona. What a fantastic name, Paradise. What a great name. You know who is here? I'm a member of the ex-Governors club, and my old buddy, the ex-Governor of the State of Arizona is with us, Fife Symington. I appreciate you coming. You look great, for an older guy—no. [Laughter]

I want to thank my friend Jim Click. I appreciate his leadership. Several people came through the line and said, "I'm Click's friend." I said, well, "I'm sorry."

[Laughter] But thanks for coming. [Laughter]

I want to thank my—longtime friend of Mother and Dad's and mine, Jim Simmons. I appreciate Jim, and thank you for being here. I don't know if many people know this, but he used to live in Midland, Texas. And that's where Laura is from. That's where I'm from. Mother and Dad were living out there, and they became fast friends. You can't make it in this line of work unless your friends stay with you. That's just the way it is, and I appreciate Jim.

Bob Castellini and Susie are here. They've helped on this event. I want to thank my longtime friend Bob Castellini. I want to thank Dave Thompson. I want to thank the chairman of the Republican Party of Arizona, Bob Fannin, and his wife, Lisa.

Let's see here—21 days from today, the people will be going to the polls.

Audience member. You've got my vote! The President. That's good. [Laughter] I certainly hope so. [Laughter] I don't know who is counting the days. I guess—but my spirits are high. I feel great. I really feel like the people—I got a good record to run on. I went to Washington to do some things.

You might remind people about what this economy has been through. The stock market was declining 6 months before I arrived in Washington, DC. We had one of the most significant stock market corrections in our history, and it foretold a recession. And then we got attacked, which cost us a million jobs. But we acted. I acted. I led the Congress. We cut the taxes in order to create consumption and investment, and this recession was one of the shallowest in American history.

We're on the move. Jobs are being created. There's a sense of optimism everywhere I go. Do you realize that there are more homeowners today than ever before? More minorities own their home than ever

before in the history of the United States. What a fantastic, fantastic statistic.

The entrepreneurial spirit is strong. I mean, I meet small-business owners all over who feel like tomorrow will be a better day, in part because of the policies we have put in place. Listen, farmers are doing well, and that's good. When you got a good ag economy, you got a good economy. Think about that. The agricultural sector is doing well, which means rural America is doing well. There are bright spots all over this country.

And what I'm going to tell the people tomorrow night is we're not going to go back to the days of tax and spend. We're not going to go back to the days where—kind of the vision of economic policy is, "We're going to take your money, and we'll decide what to do with it." Running up the taxes on the American people right now would be bad for our economy, and we're not going to let him tax you. We're going to win in Arizona, and we're going to win in November.

So it's—you can't run on your record, see, you got to run on—the only reason you look at your record is to say, "I did what I said I was going to do, and now here's what I'm going to do." And the best way to make sure jobs stay here is to make sure America is the best place in the world to do business. That means less regulations. That means legal reform. That means a commonsense energy policy that will make us less dependent on foreign sources of energy. That means opening up markets for U.S. goods.

One of the interesting debates in this campaign is about trade. I go around telling the people, "Look, we open up our markets for foreign goods, and that's good for you." I explain to them that when you have more products to choose from, you're likely to get that which you want at a better price and higher quality. That's how the market works. So rather than preventing you from having more choices, I think what we ought to do is to say to countries, "You treat

us the way we treat you." Let's open up markets for U.S. products and U.S. goods and U.S. services. And that's how you keep jobs here in America.

And you keep jobs here in America by being wise about how we spend your money. I look forward to working with Senators McCain and Kyl about—to bring some fiscal sanity to Washington, DC. But you're not going to have fiscal sanity with John Kerry as the President. He's been the most liberal Member of the United States Senate, which means he likes to spend your money. That's what that means. Now, he can try to run from his record, but I'm not going to let him hide.

A couple of other quick points before people start to fall out here—[laughter]—including me. [Laughter] I can't wait for the health care debate. It's clear in this campaign; there's a difference of opinion. He said the other day, the Government doesn't have anything to do with his plan. When he said that I could barely contain myself. [Laughter] Of course, the Government has something to do with his plan. It's the cornerstone of his plan. It's the crux of his health care policy, to expand the Federal Government.

I have a different view. I mean, we've got to address costs with medical liability reform. We got to address costs with structural reforms by giving consumers more choice in the marketplace. That's how you begin to control costs. And that's why I'm such a big believer in health savings accounts. I could give you the whole litany, but what I'm telling you is, is that there is a vast difference of opinion about health care. And I'm absolutely confident our view is the way to help make sure health care is available and affordable.

I'm looking forward to talking about education. This is a subject about which I've got great passion. We reformed our—the way the Federal Government looks at schools. We measure now, in return for extra Federal money. You've got to measure if you want to save people's lives.

You've got to measure if you want to educate every child. If you don't diagnose the problem, you can't solve it.

Listen, I'm looking forward to debating tomorrow night on domestic issues that will make a difference. I'm looking forward to probably spending a little time, hopefully, on the war on terror because there's a big difference of opinion on the war on terror.

Let me tell you a couple of things, and we'll all go home and find some air-conditioning. First, you got to understand the nature of the enemy. They are coldblooded. They have no conscience, and you can't negotiate with them, and you can't hope for the best with these people. We must find them overseas so we don't have to face them here, and that's exactly what we're doing.

A couple of other things. Secondly is that in this different kind of war, it is important to send clear and understandable messages, such as, "If you harbor a terrorist, you're just as guilty as the terrorist." See, it's one thing to go after the terrorist networks, which we'll continue to do, but we also got to go after those people who harbor them and support them. And that's what I meant when I told the Taliban to get rid of Al Qaida or face serious consequences. They didn't listen, and they're no longer in power.

And I want you to remind your friends and neighbors about what took place this weekend. It is a phenomenal statement about democracy and freedom. Do you realize the first person that voted in the Presidential election was a 19-year-old girl? That's unbelievable. It's an unbelievable thought. Imagine what is happening in that society because of freedom. And it's in our Nation's interest that we promote freedom in places like Afghanistan and elsewhere, because Afghanistan is now an ally in the war on terror and such a bright example of what is possible in parts of the world that are desperate for free societies.

The third lesson is that we've got to deal with threats before they come to hurt us.

That's the reality of September the 11th. Saddam was a threat. We didn't find the stockpiles we thought were there, but remember what the report last week said. It said he was gaming the Oil for Food Programme to convince governments to get rid of-weaken or get rid of the sanction program for one reason, to use his expertise to rebuild his weapons. And what could he do with the weapons? He could share them with a terrorist enemy, which would make the harm done on September the 11th mild in comparison to what they could do. That's the true threat we face. And therefore, it's incumbent upon a President to face those threats before they come to hurt us. And that's exactly what we did in Iraq. Getting rid of Saddam Hussein was the right thing to do, and the world is safer for it.

And we'll succeed in Iraq. We've got a plan, and we're moving toward elections. Think about a—they're going to have elections in January. It's dangerous there, and there's a reason. These terrorists want to stop us. They want us to quit. They can't stand the thought of a free society in their midst. They understand how powerful Iraq will be as an example of people being able to live in a free society.

I believe everybody wants to be free. I believe women in the Middle East want to live in a free world. I know mothers from all walks of life and all religions want to raise their children in a free society. I know that, and at the core of my belief is that people want to be free because freedom is the Almighty God's gift to each man and woman in this world. That's what I believe.

Let me tell you one story—one story, and then we'll all go home here. [Laughter] There's already enough hot air in here to begin with. [Laughter] I tell people I believe in the transformational power of liberty. And I put it—I try to put it in terms so everybody can understand what I'm saying. And I use my friend Koizumi as an example about what I mean. Now, he's the

Prime Minister of Japan. Laura and I are very fond of him. He's an interesting, interesting man. His favorite singer is Elvis—[laughter]—one of his favorite—pretty unusual. And one of his favorite movies is "High Noon." [Laughter]

And I sit down with him and talk to him quite frequently. And what I find amazing is that I am talking to him at all, because it wasn't all that long ago in the march of history that we were at war with Japan. Japan was the sworn enemy. My dad fought the Japanese. McCain's dad fought the Japanese. Your dads, granddads were at war with the Japanese.

And after we won, Harry S. Truman, President of the United States, believed in the power of liberty to transform an enemy into an ally. Think about what that must have been like for the President, to stand up to the American people and say, "We're going to help our enemy become a democracy. We'll help Japan, not hurt Japan, the enemy, but we'll help lift up Japan as a free nation."

And there were great doubters and skeptics, and you can understand why. Many lives had been turned up-side-down. "Who wants to help an enemy," some probably asked. But Truman and other Americans stood true to the belief that liberty is a powerful, powerful concept.

And so today, as a result of their belief, I sit down with Prime Minister Koizumi, talking about the peace that we all want. We talk about how to keep the peace on the Korean Peninsula. We're talking about how to spread democracy and freedom. We talk about how to help the people of Afghanistan and Iraq realize their dreams to

live in a free society. He knows what I know: Free societies will yield a more peaceful world. And I'm talking to a former enemy about peace.

Someday, an American President will be sitting down with a leader from Iraq, elected by the people, talking about how to keep the peace in a troubled part of the world, talking about how to spread liberty to corners of the world that need liberty, talking about how to make sure the example of a free society shines brightly for all. And our children and our grandchildren will be better off for it.

The stakes are high. The stakes are high in this campaign. We have a competing different—competing visions on Government, and we have a different view of the war on terror. It's not just to be reduced as a "nuisance." It is to be defeated by using all the might of the United States and spreading freedom as an alternative. And make no mistake about it, with the firm resolve and clear vision, we will prevail.

And I want to thank you for your help. God bless you. Thank you all.

NOTE: The President spoke at 12:46 p.m. at the Sanctuary on Camelback Mountain. In his remarks, he referred to Josephine Franks, wife of Representative Trent Franks; Mary Hayworth, wife of Representative J.D. Hayworth; Cheryl Flake, wife of Representative Jeff Flake; Mayor Ron Clarke of Paradise Valley, AZ; and Prime Minister Junichiro Koizumi of Japan. He also referred to the "Comprehensive Report of the Special Advisor to the DCI on Iraq's WMD," issued September 30.

Presidential Debate in Tempe, Arizona October 13, 2004

Bob Schieffer. Good evening from Arizona State University in Tempe, Arizona.

I'm Bob Schieffer of CBS News. I want to welcome you to the third and last of